

JUL 1949

TOP SECRET

1045

GENERAL

1. US views on Pacific union--The Department of State has instructed US officials abroad to avoid any public statements or actions which could be interpreted as supporting or opposing the recent Chiang-Quirino proposal for a Pacific union. The Department considers that inclusion of the Chinese Nationalist regime as a charter member saddles the embryo union with a hopeless military problem and is likely to alienate India and other south Asian nations. The Department declares, however, that if US officials are approached confidentially regarding an alternative plan for strengthening economic and political ties between Far Eastern nations, they may express general approval while pointing out that any such plan should have inherent strength in Asia and not appear to be merely an instrument designed to obtain and channel US aid.

25X1

EUROPE

2. GERMANY: British want Bonn as new German capital--US Military Governor McCloy reports that the British are lobbying actively in favor of locating the west German capital at Bonn, while the US and France have maintained a "hands-off attitude." McCloy adds that several German leaders have indicated their belief that one of the first acts of the new west German Government will be to reverse the decision in favor of Bonn and to establish the new capital at Frankfurt instead.

(CIA Comment: CIA believes that UK lobbying for the retention of Bonn (in the UK Zone) as the future German capital, despite German preference for Frankfurt, is one aspect of the British drive to obtain paramount influence in west Germany as well as over the west German Government.

25X1

State Dept., OSD reviews completed

**CONFIDENTIAL**  
**TOP SECRET**

Document No. 017  
NO CHANGE in Class. ☐  
☐ DECLASSIFIED  
Class. CHANGED TO: TS S (C)  
DDA Memo, 4 Apr 77  
Auth: DDA REG. 77/1763  
Date: 12/3/78 By:           

25X1